



Brent Intraday Morning Technical

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Brent May 22 Morning Technical Comment – 573 Min



Support		Resistance		Current Price	Bull	Bear
S1	98.30	R1	105.42	98.11	RSI above 50	Stochastic oversold
S2	96.00	R2	107.10			
S3	90.12	R3	108.90			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Further downside moves overnight has resulted in the futures trading to a low of USD 97.75. Price is below the 8-21 period EMA's supported by the RSI below 50.
- Upside moves that fail at or below USD 109.34 will leave the futures vulnerable to further tests to the downside, above this level the futures will target the USD 113.91 fractal resistance.
- The longer-term trend remains bullish, but the technical pullback means we have a neutral bias with the futures now trading below the USD 100.60 support. Downside moves below USD 90.12 would mean the intraday Elliott wave cycle will have failed, at this point the intraday technical is bearish.
- The RSI is now at 41 meaning the oversold stochastic is less relevant, momentum is weakening on the back of rising coronavirus cases in China which is the worlds biggest crude importer. Key support is now at USD 90.12 which will be a target for market sellers. We are technically bullish but the deeper this pullback the lower the probability that the futures will trade to a new high.

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